

**Third Party Services: Fiscal and Support Services, Cash and Counseling Program**  
**06-X-38314**  
**December 7, 2005**  
**Addendum #3**

**Responses to Electronic Questions and Answers**

- Question #16.** **Pg. 19 Sec. 3.1.13 Is the NJ Employer Registration form to be filed individually for each Program Participant the same form as the NJ Reg, Business Registration Application? Can a Fiscal Management Service entity with one FEIN file this form on behalf of the entire class of Program Participants?**
- Answer: It is the contractor's responsibility to obtain, on behalf of the participant, a State Employer Identification Number (EIN) from the State of New Jersey. Further, the contractor must obtain an FEIN for itself that is specific to this contract. A responsibility of the contractor under the terms of this contract is to file, in the aggregate, federal taxes in under this FEIN.
- The FEIN may be obtained by filing federal form SS4, Application for Employer Identification Number.
- Question #17.** **Page 22, Section 3.1.18, Counselor Training says counselors will complete one or two day training. But in Section 3.3.2 on page 35, it says that all staff assigned by the contractor to provide counseling services shall complete a three-day training course. Please clarify how long the Counselor Training Course will be?**
- Answer: Section 3.1.18 is hereby corrected to state "... the contractor's counselors shall complete a three (3)-day training course..."
- Question #18.** **3.1.18 - page 20, mentions counselors will attend a one (1) or two (2) day training, however in section 3.3.2 page 31 the training is three days. Please confirm how many days of training the counselors must attend. Will the State be responsible for the training of new counselors that are hired after the transition?**
- Answer: See answer # 17. Training of new counselors will be done by State Program Office staff on a regular basis.
- Question #19.** **Pg. 22 Sec. 3.2.3 (#1) If there is a statewide fiscal agent, is the SS-4 required for each participant?**
- Answer: The contractor must obtain a unique FEIN number for itself that will be used solely for this contract. Each consumer completes his/her own SS-4 form because each consumer establishes his/her own business. The fiscal agent is not the employer of record, the consumer is.
- Question #20.** **Pg. 22 Sec. 3.2.4 If one interest bearing bank account is used for all participants, would it be acceptable to allocate interest to participant sub accounts based on average participant balances**

**during the monthly period?**

Answer: Yes.

**Question  
#21.**

**Pg. 22 Sec. 3.2.4 Does the interest earned get added to the amount which is available to the participant to spend?**

Answer: Yes

**Question  
#22.**

**Pg. 22 Sec 3.2.4 Are Program Participant CMP budgets based on the State of NJ fiscal year and renewed by July 1, or is each CMP based on each individual plan year with renewals as the budgets expire?**

Answer: CMP budgets are determined individually and may change as needed. Each participant's budget is individual and based on the assessed clinical need for PCA service. The budget period is monthly. Every six months, the participant is reassessed by a nurse and a determination of the level of service is reaffirmed or adjusted.

**Question  
#23.**

**Pg. 23 Sec. 3.2.4 Is the contractor required to offer Earned Income Credit Advance Payments? If yes, how will this be charged to the CMP budgets?**

Answer: Yes, the EIC Advance Payments must be offered and would be included in an employee's paycheck. The cost for EIC would be included in the participant's Cash Management Plan (CMP).

**Question  
#24.**

**Pg. 23 Sec. 3.2.4  
Is the NJ REG-1 form the same as NJ REG?**

Answer: The contractor must become recognized by the New Jersey Unemployment Division as the agent for the participants. The contractor shall use the form required whether it is a NJ-REG or NJ-REG-1 or any other form.

**Question  
#25.**

**Pg. 23 Sec. 3.2.4  
Does the State Program Office, Unisys or State Department of Human Services accept web based electronic submission of CMP and subsequent revisions? If no, would the office accept web based submission if developed by the contractor?**

Answer: The State Program Office accepts electronic submissions of the CMP followed up by the original. UNISYS is not involved with the actual CMP.

**Question  
#26.**

**Page 24, Section 3.2.4 - "The contractor shall create an interest-bearing account for the Program Participant." What if this is not practical? The bank fees associated with such an account might be greater than the interest earned. In addition, how is the interest earned to be credited and how often should that be done? How will the Program Participants account for any interest credited to their**

**program funds available?**

Answer: The contractor will ensure that the funds in the participant's account are subject to interest. This does not mean that a separate interest-bearing account must be established for each participant, but rather that the contractor has a mechanism for obtaining interest on the total of all accounts and apportions it to the individual account, as appropriate.

**Question  
#27.**

**Pg. 24 Sec. 3.2.4.1 In the event that the participant uses more hours of care than what is in the CMP, it is not clear what is intended to be charged to the participant. What fee or amount must be charged or paid by the participant who is not normally charged to him/her.**

Answer: No expenditures (payroll or otherwise) are made unless they are contained in the approved Cash Management Plan (CMP). It is not possible for the participant to use more hours of care without formally adjusting the CMP.

**Question  
#28.**

**Section 3.2.4 - The accumulation of cash is tracked over a 12-month period. Is that 12-month period a calendar or fiscal year for all Participants, or does each Participant have a unique 12-month period based on the date of his/her enrollment?**

Answer: Tracking is based on a calendar year from January through December.

**Question  
#29.**

**Pg. 25 Sec. 3.2.5.2 (#8) - Is it acceptable to use an electronic time and attendance capture system to process bi-weekly time sheets? This telephony system is an industry standard that would use caller ID technology and a toll-free 800 phone number to record "time in" and "time out" for each direct care worker. Service data would be stored electronically and the web based application would be accessible by multiple users.**

Answer: It is the responsibility of the contractor to perform the work of the contract in accordance with its terms and conditions. How that is accomplished may be determined by the contractor as long as the terms and conditions of the contract are met.

Yes, the State agency will be required to move from a paper time reporting system to an electronic one.

**Question  
#30.**

**Pg. 25 Sec. 3.2.5.2 (#10) The IRS tax documentation, including W-2 preparation, occurs at the consumer/employer level for the calendar tax year. Since the employer remains constant, even if the contractor changes, what is intended to occur according to #10? What responsibility would the former contractor have with respect to W-2s?**

Answer: The contractor as of December 31, 2005 shall be responsible for 2005 tax related documentation. Further, the incumbent contractor shall be responsible for all tax related documentation through the term of its contract.

A new contractor would likewise be responsible for all tax related documentation from the start date of its contract through the end date of the term.

**Question  
#31.**

**3.2.6.3 - page 27: This section states that one of the criteria which makes an employer subject to the provisions of FUTA is a payroll of \$1,500 in a calendar quarter. Later, in 3.2.6.7 (page 28), this criterion is restated as \$1,500 in a calendar year. Please clarify whether this should be a calendar quarter or a calendar year.**

Answer: It shall be incumbent on the contractor to determine the rules necessary to comply with unemployment tax and unemployment and disability insurance and apply the correct rules. During the term of the contract, the contractor shall comply with all tax laws and regulations that are in effect for any time period during the contract term. In accordance with Standard Terms and Conditions 1.7 Compliance-Laws - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

As a point of clarification, the \$1,500 figure is related to FICA, not FUTA, and refers to a calendar, not a calendar year.

**Question  
#32.**

**3.2.6.8 - page 29, paragraph number three states, "For every employee that needs Worker's Compensation Insurance, the fiscal agent, on behalf of the Program Participant, must apply to three (3) insurance companies and request a Worker's Compensation Insurance Policy." Please clarify if obtaining Worker's Compensation Insurance is based on employer or employee.**

Answer: The requirement for Workers Compensation coverage is for the participant, as employer of record. The contractor is expected to assist the participant in obtaining Workers Compensation coverage for the participant's employees.

**Question  
#33.**

**Pg. 29 Sec. 3.2.6.8 We understand the need for three rejections for worker's compensation plans. Is this also required for renewals?**

Answer: No, only in the event that the current insurer will not be continuing the policy, otherwise the existing Workers Comp policy stays in place.

**Question  
#34.**

**Sec. 3.2.7 (#4) Can the Program Participants grant be billed for Payroll and Taxes on a bi-weekly basis instead of monthly?**

Answer: No.

**Question  
#35.**

**3.3.6 - page 32 #13: Is "consultant" intended to read "counselor"?**

Answer: Yes.

**Question  
#36.**

**3.3.6 - Page 32, #13: This states that the participant or a relative "will" nominate a representative. Previously, under 3.2.4 - page 22**

**says "In the event" (that a participant chooses a representative). Is this optional or mandatory?**

Answer: There are circumstances in which a representative may be mandatory. This is determined by the counselor in conjunction with State Program Office staff. Where a participant has a legally appointed guardian, that individual is the representative. In all other cases the participant is free to voluntarily name a representative if he/she so chooses.

**Question  
#37.**

**Section 3.3.6 - Who develops the plan of care and does it drive the self assessment or is the self assessment incorporated into the plan of care process?**

Answer: A plan of care is developed by the PCA provider agency at the start of service. When an individual enters the Cash & Counseling program, the plan of care is converted to a cash benefit and the participant develops a Cash Management Plan (CMP) with the assistance of the counselor. The self assessment is a separate process which is not mandatory for participants. The CMP replaces the original plan of care and is a consumer-driven document.

**Question  
#38.**

**Page 35, Section 3.5.1 - What does, "The turn-around with the State Contract Manager is approximately fourteen (14) business days?" Mean?**

Answer: This is to give the contractor an estimate of the timeframe for money to be transferred.

**Question  
#39.**

**3.5.3 - page 36: item 6 reads to assist employees obtain health benefits on a price per background check. What should this be a price per? On the Attachment 5 Price Schedule page 2 of 7 the item is to assist the employer in obtaining health benefits, however, on pages 4 and 6 the item now cites the fiscal agent is to assist the employee. Please clarify if the service is for the employer or the employee. Please also define the unit "Per Assistance".**

Answer: Delete "on a price per background check" and Insert "on a price per assistance". It includes all work related to assisting a Program Participant obtain health benefits for one domestic household employee.

**Question  
#40.**

**3.5.3 - page 37 item #7 It is our understanding that Worker's Compensation is considered a requirement for employers to have for employees, however, this sections reads that the participant has to request this for each employee. Please clarify.**

Answer: In the first sentence, delete the clause "at the request of the Program Participant". The participant must maintain a Workers Compensation policy which covers all of his/her employees and the participant must provide proof that such a policy is in force.

**Question**

**Page 37, 3.7 - First paragraph refers to section 3.1.24.2, however**

**#41. that section does not exist in the RFP. What sections should be referenced?**

Answer: Delete the reference to section 3.1.24.2 and replace it with section 3.1.3.

**Question #42. Page 38, 3.7 - During the ending transition, is the contractor expected to provide "access to any files and information relating to this contract" (#2) or to actually generate and deliver copies (#6)?**

Answer: Both. At the ending transition, the contractor shall provide the replacement contractor with access in the incumbent contractor's office so the replacement contractor may view of any contract related files. Further, section 3.7 item 6 also applies: The contractor shall generate and deliver copies.

**Question #43. Pg. 39, Sec. 4.3 - The RFP requires that we submit an original and 8 copies of the proposal. For the audit report, must all be original bound reports, or may we submit 1 original bound report and 8 photocopies?**

Answer: When submitting a bid proposal, the bidders should submit an original and eight (8) copies of the bid proposal. There is not a linkage to the number of audit reports. The contractor shall respond to any required audits and supply copies as required by the State Contract Manager.

**Question #44. Section 4.4.3.3 - Can we submit position descriptions instead of resumes for positions we have yet to hire?**

Answer: Resumes in detailed resume format including dates and employers should be submitted. However, where you intend to hire staff where a detailed resume is not available then you should submit a position description and a plan to recruit that person. It will not be acceptable to provide a position description if your bid shows that you are attempting to hire a whole category of workers from scratch. For example, a bid that provides a position description for all counselors but does not provide any counselor résumés or any documentation of counseling experience shall be determined to be non-responsive to the bid submission requirements.

**Question #45. 4.4.4.2 - page 45: During the startup transition, will the contractor be paid for any services performed as per the Price Sheet, or is this limited to only Counseling and Grant Disbursement?**

Answer: It is limited to Counseling & Grant Disbursement only.

**Question #46. Section 4.4.4.2 - Does the allowable \$969,900 for year one (1) include the cost of counseling visits made during the two (2) month transition period?**

Answer: Yes.

**Question Sections 4.4.4.4, 6.3.2, and Attachment 5 - Would the State and the**

**#47.** Department accept a flat price for all services to be provided under this contract-fiscal and counseling-based on designated numbers of Participants. For example, a flat price for serving up to 350 Participants; a price for serving 351 through 480 Participants, etc. We believe the Contractor could be significantly more efficient if the requirement to track and bill for each separate service were to be eliminated. We also believe that efficiency would be sufficient to cover the costs listed under "Reimbursable Items from the Participants" if the State chose to re-structure the pricing structure in that way.

Answer: No, pricing must be in accordance with the structure required in the RFP and price sheets. At this time, the State is not interested in changing the price lines or in a flat rate proposal.

**Question #48.** Page 52, Section 5.6, Contract Transition - The RFP states that the contract "transitional period shall not extend more than ninety (90) days beyond the expiration date of the contract or any extension thereof." But on page 15, section 2.2, the Contract Transition Period is clearly defined as sixty (60) days. Again, on page 18, section 3.0 Scope of Work, the transition period is clearly stated as sixty (60) days, and it is noted that at the end of ".the term of this contract, the State will invoke Section 5.6 of this contract for contract transition purposes." Is the transition period expected to be sixty days or up to 90 days? Is the difference here that the exiting contractor has up to 90 days to finish transition to the new contractor while the new contractor has 60 days to get up and running?

Answer: Section 5.6 uses the term transition in a different meaning than it is used in the scope of work. Section 5.6 anticipates the possibility that the contractor's contract may come to an end and the State may not have a replacement contractor ready to assume the duties of the contract. In this sense, transition means that the State can require the contractor to work 90 days beyond the end of its contract.

**Question #49.** Pg. 50 Sec. 5.12 The word "perpetual" in the statement ". grant the State a non-exclusive, (perpetual) royalty free license to use any of the bidders/contractor's" (background IP), denies protection when a safe guard of background IP is requested by the bidder/contractor. Is this an inadvertent error/oversight that should be omitted from this set-aside provision?

Answer: This section remains as written.

**Question #50.** Pg. 56 Sec. 6.3.1 What is the method for scoring the proposals? How much weight is assigned to the different components of proposals? (experience, cost, etc.)

Answer: Evaluation criteria are the five criteria identified in this section. Weights will be set prior to bid opening and do not become public until the Notice of Intent to Award is issued in accordance with section 6.4 of the RFP.

**Question  
#51.**

**Page 57 Section 6.4: Kindly elaborate on the intent of the law, does it mean the State can negotiate the technical aspects of the bidder's proposal? And also negotiate the best and final offer price wise? Kindly explain the above as it applies to the spirit of competitive bidding.**

Answer: As set forth in N.J.S.A. 54:34-12(f), "for any procurement, the State Treasurer or the director may negotiate with bidders, after bid opening, the final terms and conditions of any procurement, including price".

The State is reserving the right to negotiate with bidders, on a level playing field, improvements to any aspect of their proposal, including or limited to price, in order to award a contract that is most advantageous to the State, "price and other factors considered."

In order to preserve the maximum competitive environment to achieve the maximum benefit for the State, the records of any such negotiation/BAFO will be held in confidence until the issuance of the Notice of Intent to Award.

**Question  
#52.**

**Page 57, section 6.3.2 - This Section is incomplete and ends in mid-sentence just as it is about to lay out a list of the other factors that the evaluators will consider when evaluating the proposals. This section does make clear that all bidders will be ranked according to overall bid price. What other factors will be considered?**

Answer: Delete the final partial sentence in this section. Refer to question #2.

**Question  
#53.**

**Attachment 5 - Pricing Schedule---Employee Application package---both lines-is the volume here of 360 a bit too low? There are approximately 450 assistants in the program right now, and the average number of assistants per consumer is about 1.2. By the end of the first year there will be about 710 participants in the program. That means about 852 assistants. That's an addition of 402 new assistants, even if we don't take into account that there will be continuous turnover causing the hiring of even some more assistants over the course of the year.**

Answer: Exact projected numbers can never be generated since it is unknown whether or not the projections provided in Section 1.3 will be achieved. The number of participants at the time this RFP was written was approximately 350. It is unknown if the actual starting number will be significantly more or less than 350, and a significant difference in the starting number of participants will skew all the projected numbers. The same goes for the monthly growth estimate. Therefore, Section 1.3 provides only a best estimate of the program's size and intent to grow. Actual numbers may fall short of those estimates or may exceed those estimates. For bidding purposes, the quantities on the price schedule will be used for bid evaluation. The contractor will be paid based on actual quantities multiplied by the unit prices over the term of the contract.

It should be noted that the projection of total participant population in the incumbent's contract (approximately 1,000 participants) was never achieved.

**Question  
#54.**

**Attachment 5 - How would we bill for extensive research and support functions such as preparations for reapplication to Medicaid?**

Answer: The State does not envision that the contractor will be involved in any Medicaid reapplication process. If the State requires reports or other activities to meet the goals and needs of this project, the work would be negotiated in accordance with section 5.24 Additional Work and/or Special projects of the RFP at the appropriate time.

**Question  
#55.**

**Attachment 5- Provide definition for "special projects." What activities are typically billed under such services?**

Answer: These might be ad hoc data reports, summaries or other activities that are requested by the State in order to effectively manage the program.

**Question  
#56.**

**Attachment 5 Price Schedule page 2 of 7 item reads "Assist Employees Obtain Worker's Comp. New applicants and renewals" On pages 4 and 6 the item now reads to assist the employer. Please clarify if the item is for employee or employer. Please also define "Per Assistance"**

Answer: The employer is required to obtain Workers Compensation Insurance. Per assistance is all work needed to obtain that insurance.

**Question  
#57.**

**When submitting a bid proposal, is a company required to use the new State ebid online process? If so, how are the required 8 copies to be submitted?**

Answer: The ebid process does not apply to this procurement.

**Question  
#58.**

**General: Kindly furnish a list of the firms that have submitted questions?**

Answer: In accordance with the Purchase Bureau's current electronic question

and answer procedure, persons and firms submitting questions are not identified to staff. Identities of questioners are removed from the question email before it is sent to the buyer and agency for response. Therefore, a list of questioners is not available.